Manitoba
Consumer and
Corporate Affairs
Landlord and
Tenant Affairs

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Winnipeg, Manitoba
R3C 3Y4

MG-12290 (Rev. 91)

REPORT ON THE ADMINISTRATION OF THE RENT REGULATION PROGRAM FOR THE FISCAL YEAR ENDED MARCH 31, 1991

92-06270/

Minister of
Consumer and Corporate Affairs

Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

May, 1992

The Honourable George Johnson
Lieutenant Governor of Manitoba

May It Please Your Honour:

In accordance with Section 15 of The Residential Rent Regulation Act, I am pleased to submit the report on the administration of the Rent Regulation Program for the fiscal year ended March 31, 1991 for the information of Your Honour.

Respectfully submitted,

Linda G. McIntosh (Mrs.)
Consumer and Corporate Affairs

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RENT REGULATION BUREAU

LANDLORD AND TENANT AFFAIRS BRANCH
RENT REGULATION BUREAU

The Landlord and Tenant Affairs Branch consists of two offices: The Office of the Rentalsman and the Rent Regulation Bureau.

The Rent Regulation Bureau is charged with the administration of the Residential Rent Regulation Act. The Act, together with the corresponding Regulations, specifies:

- the annual rent increase guideline for premises under its jurisdiction;
- the type and class of buildings excluded from the legislation;
- the rights and obligations of landlords and tenants under the legislation; and
- the various procedures to be followed in the administration of the Act.

The Rent Regulation Bureau's main areas of activity consist of:

- reviewing and processing landlord applications for rent increases above the guideline;
- reviewing and processing tenants' objections to any rent increases whether below, at, or above guideline;
- recommending allowable rent increases based on landlords' applications and tenants' objections;
- investigating non-compliance with the legislation; and
- taking action for non-compliance, where applicable.

A perhaps less formalized but equally important function of the Bureau is the ongoing monitoring and evaluation of applicable economic indicators and developments which may have or may develop the potential to affect conditions in the rental housing market. Contacts with the relevant agencies of other levels of government and the housing industry provide the Bureau with the opportunity to examine, in advance, proposed new and changing programs, legislation or policy directions emanating from these agencies. While activities of this nature are not always easily quantified, they are, nevertheless, an important aspect of the Bureau's ongoing attempt to maintain as equitable a rent regulation program as possible.

ACTIVITIES EXTENDING ACROSS FISCAL YEARS

The annually determined guideline amount, which establishes the threshold above which rent increases must be reviewed and approved by the Rent Regulation Bureau, is set on a calendar year basis. Consequently, the effective date of the rent increase determines the year under which the increase will be recorded and reported by the Bureau.

The Residential Rent Regulation Act requires that a report on the administration of the Act be prepared on a fiscal year basis. As a result, activities of the Bureau during any given fiscal year include rent increases, and other related issues, pertaining to three different calendar years. For instance, the 1990/91 fiscal year includes unresolved 1989 issues, most of the 1990 cases, and a substantial number of applications for 1991 rent increases. The statistical tables in this report identify the year in the heading whenever the particular data pertain to a specific calendar year only. As such, Tables 1 and 2 are simply statistical summaries for activities relating to rent increases that came into effect during the 1990 and 1991 calendar years respectively. Consequently, the figures within these tables identifying the two fiscal years are not comparable. The same applies to the corresponding tables in the Rent Appeals section of the report.

Generally, values relating to specific categories, suite types, locations, etc., cannot directly be compared across two rental years since the properties reporting are not necessarily the same properties for both years. However, all data reflects valid measurements of activities in a given year and can be used to identify developing trends.

TABLE 1

CALENDAR YEAR 1990

STATISTICAL SUMMARY FOR MANITOBA

APPLICATIONS BY LANDLORDS FOR RENT INCREASES ABOVE GUIDELINE	1989/90 FISCAL YEAR (Units)	1990/91 FISCAL YEAR (Units)
Carried forward from previous year	-	1,953
Received - Winnipeg	2,495	2,462
- Brandon	229	190
- Rural	100	366
TOTAL	2,824	4,971
Applications withdrawn	9	63
Determined	862	4,712
ACTIVE	1,953	196
OBJECTIONS BY TENANTS TO INCREASES LESS THAN OR EQUAL TO THE GUIDELINE		
Carried forward from previous year	-	28
Received - Winnipeg	36	65
- Brandon	10	-
- Rural	10	7
TOTAL	56	100
Objections withdrawn	8	32
Determined	20	36
ACTIVE	28	32
COMPLIANCE		
Received - Winnipeg	81	356
- Brandon	2	71
- Rural	6	16
TOTAL	89	443
Resolved	89	443
BALANCE	-	-
Referred To Rent Appeal Panel	-	-
ACTIVE	-	-
	-	-

TABLE 2

CALENDAR YEAR 1991

STATISTICAL SUMMARY FOR MANITOBA

APPLICATIONS BY LANDLORDS FOR RENT INCREASES ABOVE GUIDELINE	1990/91 FISCAL YEAR (Units)
Received - Winnipeg	2,818
- Brandon	413
- Rural	390
TOTAL	3,621
Applications withdrawn	47
Determined	1,632
ACTIVE	1,942
OBJECTIONS BY TENANTS TO INCREASES LESS THAN OR EQUAL TO THE GUIDELINE	
Received - Winnipeg	67
- Brandon	8
- Rural	8
TOTAL	83
Objections withdrawn	12
Determined	27
ACTIVE	44
COMPLIANCE	
Received - Winnipeg	75
- Brandon	14
- Rural	5
TOTAL	94
Resolved	84
BALANCE	10
Referred To Rent Appeal Panel	10
ACTIVE	-

Note: 1.) Early data based on the first three months of the calendar year.

ACTIVITY SUMMARY

All statistics throughout this report are expressed in terms of the number of rental units affected (i.e. if all 24 units in an apartment building are under review, our statistics will reflect this with a count of 24).

Table 3 measures only the volume of activity of the Rent Regulation Bureau on a comparative basis for the fiscal years 1989/90 and 1990/91. The 1990/91 fiscal year saw a significant rise (almost 20%) in the number of units covered by landlord applications for rent increases above the guideline that were processed by the Rent Regulation Bureau. This is a reversal of a 3 year downward trend of units affected. Tenant objections to guideline or less increases as well as investigations of alleged improper rent increases declined in similar sized proportion from levels reached during the 1989/90 fiscal year (121 units down to 108 and 685 units down to 537 - respectively).

Appeals of rent increase recommendations issued by the Rent Regulation Bureau, as well as the processing of applications for temporary exemption from rent regulations due to major rehabilitation work, rests with the Rent Appeals Branch. In concordance with the increase in above guideline applications, appeals processed rose from 1,422 units in the 1989/90 fiscal year to 1,504 during the 1990/91 fiscal year.

The rehabilitation provisions of the Residential Rent Regulation Act provide for a two stage process. First, a landlord submits an application for rehabilitation of the premises and for approval to proceed with the project. Once the project is completed, the landlord applies for the previously determined exemption period to be ratified.

During the 1990/91 fiscal year, Appeal Panels heard presentations seeking approval to commence major rehabilitation projects on a total of 123 rental units, up from 47 in 1989/90. Applications for exemptions from Rent Regulation were down in 1990/91 to 21 from the 97 units processed in 1989/90. This is not a totally unexpected result since approval to proceed with a rehabilitation project in one fiscal year is often followed by an application in the following fiscal year to exempt the rehabilitated units. Consequently, a low rehabilitation application count in a given year is generally followed by a low application for exemption count in the next year.

TABLE 3

ACTIVITY SUMMARY

ACTIVITIES	PROCESSED DURING FISCAL YEAR 1989/90 (Units)	1990/91 (Units)
Landlord Applications for Rent Increases Above Guideline	5,422	6,470
Tenant Objections to Guideline or Less Increases	121	108
Compliance Cases	685	537
Appealed Recommendations	1,422	1,504
Applications for Rehabilitation	47	123
Applications for Exemption	97	21

TABLE 4

INCOMING FORMS

TYPE OF FORMS	RECEIVED IN FISCAL YEAR 1989/90 (Units)	1990/91 (Units)
Notices of Increase In Rent	51,861	50,854
Notices To New Tenants	17,708	16,620
Tenant Objections To Guideline Or Less Increases	145	154
Tenant Objections To Above Guideline Increases	905	1,129
Applications For Rent Increases Above Guideline	5,533	6,623
Notices Of Appeal	1,541	1,696
Applications for Rehabilitation	29	123
Applications for Exemption	51	41

THE MANITOBA RESIDENTIAL RENTAL HOUSING MARKET

The total rental housing stock in Manitoba is in excess of 126,000 dwellings. About 100,000 of the dwellings are subject to the Residential Rent Regulation Act; the remaining 26,000 units are exempt for various reasons as permitted by the Act and its Regulations (i.e. less than five years old, approved rehabilitation projects, etc.). Approximately 60% of the Manitoba rental housing stock has rents registered with the Rent Regulation Bureau.

Table 5 and 6 list the average rent levels for 1990 and 1991 on regulated as well as exempt units for the major urban centres and the rural area of Manitoba. Average rents for regulated units are calculated on the basis of rents where above guideline increases were allowed by the Bureau as well as rents that rose only by the guideline amount for the respective year. The adjacent percentage figures express the average rent increase taken to reach these rent levels.

The guideline amount for 1990 remained at 3% for the fifth year in a row while the guideline amount for 1991 was set at 4%. The average rent increase in the regulated sector normally mirrors the guideline in any given year while increases in the exempt sector can be expected to more closely follow changing market conditions. In past years, this has been demonstrated in divergent average increases for the two sectors of the rental market. Depending on the market, exempt units either took the lead or lagged behind in average increases when compared to regulated units which consistently had average increases just slightly above the annual guideline amount for that year.

The effects of C.M.H.C.'s reported vacancy rates for Winnipeg of 5.7% for April, 1990 and 6.4% for October, 1990 appear to have been reflected in the data contained in Table 5. Average increases of 2.7% and 2.5% in Winnipeg, for regulated and exempt units respectively, have dropped below the annual guideline amount of 3%

for 1990. Furthermore, the gap in average rent levels reported for the calendar year 1990 between regulated and exempt units has narrowed considerably to $5 for Winnipeg and only $1 if rental units in all of Manitoba are considered. The difference over the previous 4 years had ranged from $38 to $54.

Table 6 which reflects only preliminary data relating to the calendar year 1991 does not seem to support converging rent levels between regulated and exempt units. This report covers only the first 3 months of 1991 and, consequently, evaluates only limited data for that year. Most rent increases take place in the later part of the year and final figures for 1991 average increases and rent levels will be reflected in next year's annual report.

TABLE 5

MANITOBA RENTAL MARKET

1990 AVERAGE RENT LEVELS AND INCREASES ON REPORTING UNITS, WINNIPEG AND RURAL MANITOBA

	REGULATED UNITS		EXEMPT UNITS	
LOCATION	AVERAGE RENT LEVEL	AVERAGE % INCREASE	AVERAGE RENT LEVEL	AVERAGE % INCREASE
Winnipeg	455	2.7	450	2.5
Brandon	394	2.7	388	3.1
Dauphin	353	2.7	-	-
Portage la Prairie	443	2.1	440	4.5
Selkirk	434	2.8	-	-
The Pas	451	2.7	-	-
Thompson	406	3.4	432	4.2
Northern Region	317	3.1	368	5.4
Southern Region	260	3.1	501	3.0
Rural	365	3.1	428	4.2
MANITOBA	445	2.7	444	2.6

NOTE:

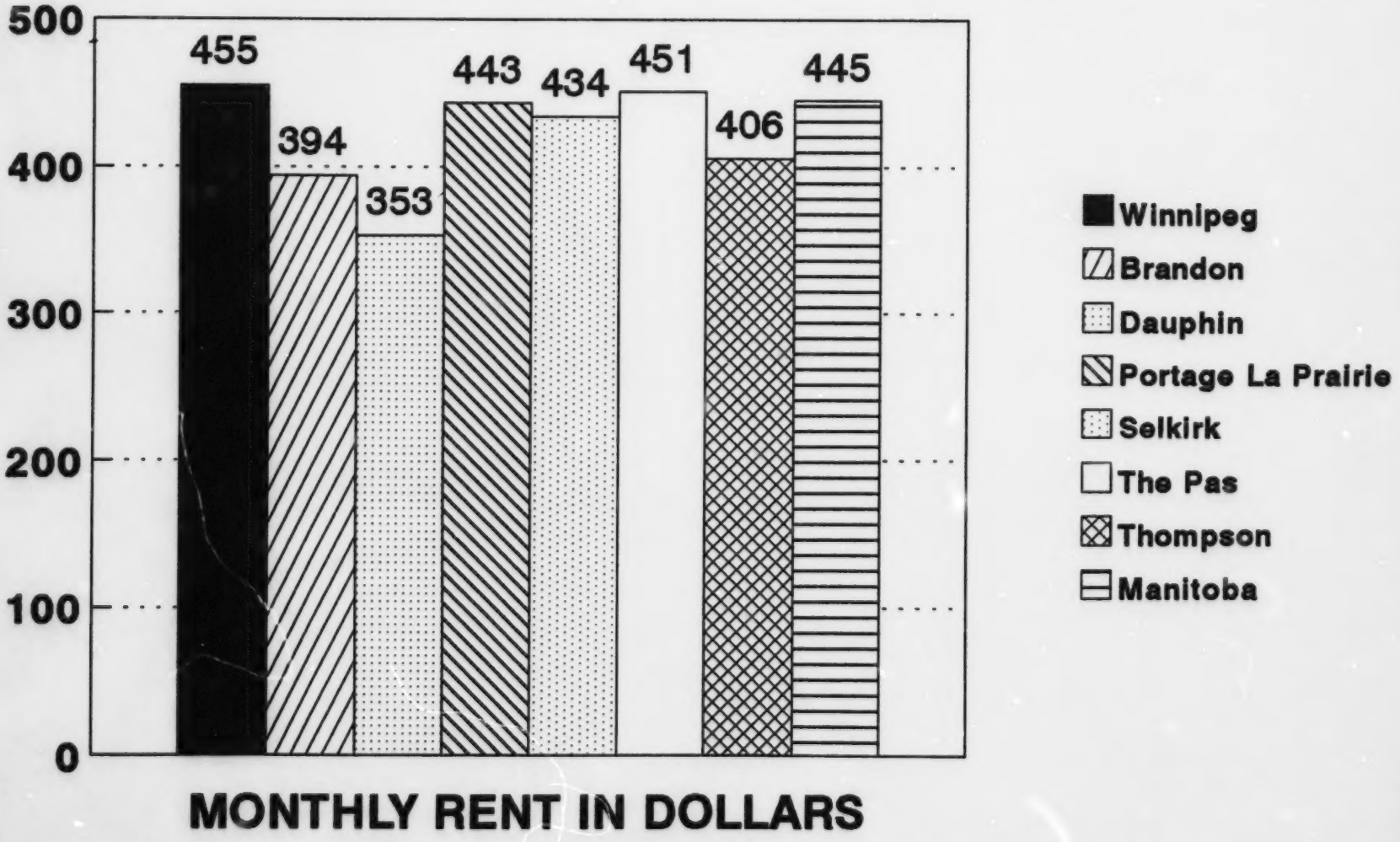
1. The average rent levels in this table are averages of the final rents after the 1990 rent increases were taken.

2. Rural figures exclude Winnipeg and Brandon.

3. Data for the Northern and Southern Regions are exclusive of the above listed communities; the boundary between the two regions runs just north of Pine Falls.

MANITOBA RENTAL MARKET

1990 AVERAGE RENT LEVELS



REGULATED UNITS

TABLE 6

MANITOBA RENTAL MARKET

1991 AVERAGE RENT LEVELS AND INCREASES ON REPORTING UNITS, WINNIPEG AND RURAL MANITOBA

	REGULATED UNITS		EXEMPT UNITS	
LOCATION	AVERAGE RENT LEVEL	AVERAGE % INCREASE	AVERAGE RENT LEVEL	AVERAGE % INCREASE
Winnipeg	482	3.6	401	3.8
Brandon	389	4.2	403	6.0
Dauphin	378	3.9	-	-
Portage la Prairie	379	2.3	323	4.0
Selkirk	449	2.8	-	-
The Pas	436	3.6	-	-
Thompson	410	5.8	-	-
Northern Region	307	4.7	389	3.0
Southern Region	282	4.0	529	2.2
Rural	359	4.4	500	2.3
MANITOBA	456	3.8	405	3.9

NOTE:

1. The average rent levels in this table are averages of the final rents after the 1991 rent increases were taken.

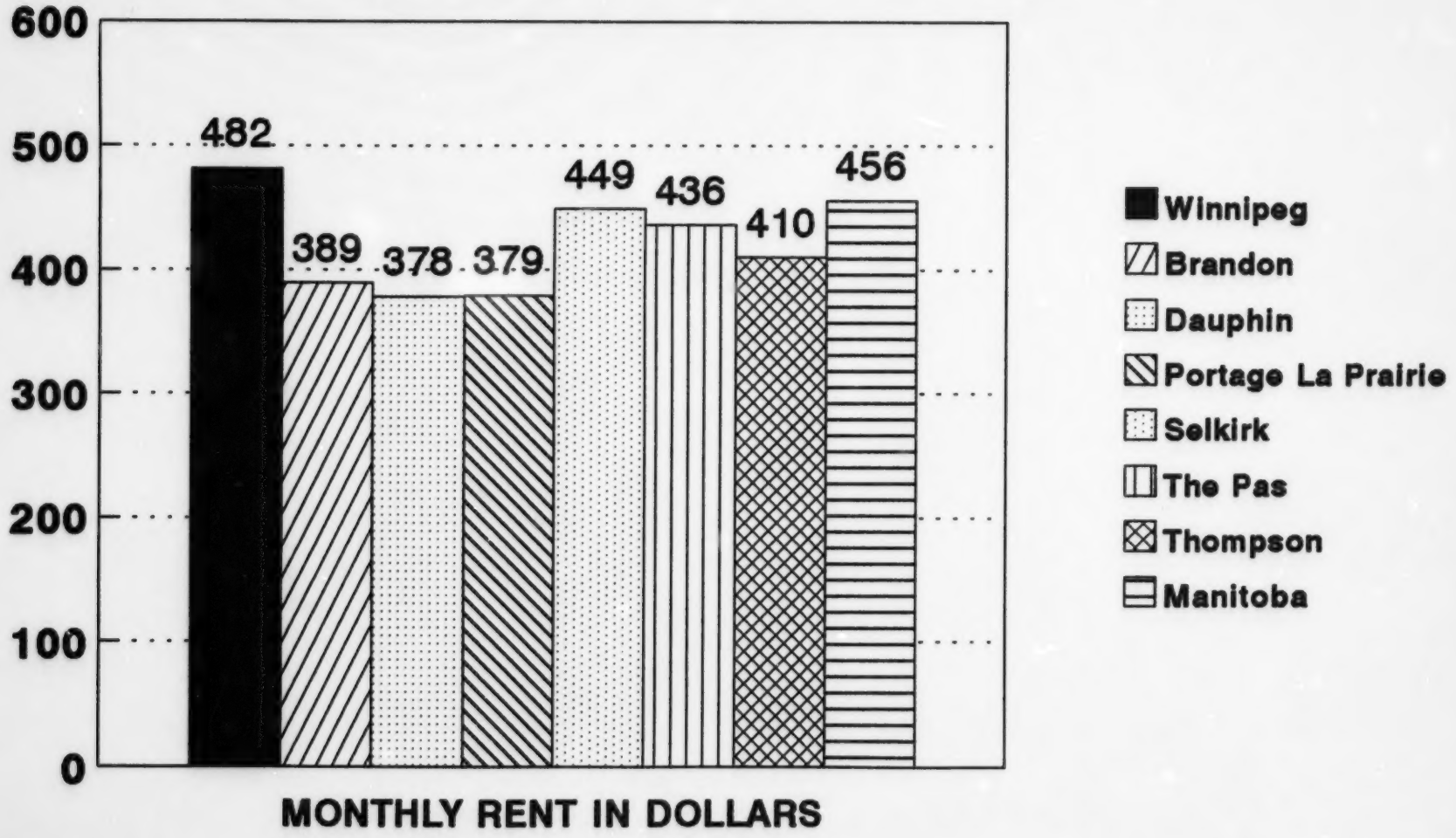
2. Rural figures exclude Winnipeg and Brandon.

3. Data for the Northern and Southern Regions are exclusive of the above listed communities; the boundary between the two regions runs just north of Pine Falls.

4. Early data based on the first three months of the calendar year.

MANITOBA RENTAL MARKET

1991* AVERAGE RENT LEVELS



REGULATED UNITS
* FIRST THREE MONTHS

RENT LEVELS AND INCREASES
WINNIPEG

Tables 7 and 8 detail average rent levels and increases in Winnipeg for 1990 and the first three months of 1991 respectively. Rent levels within a suite type generally drop as the age of the building increases. This relationship can be expected to hold true in future years, as it has in the past, since initial rents in a new building are set based on the cost of construction and, consequently, this factor is then reflected in higher rent levels for buildings of more recent construction.

On the other hand, average percentage increases appear to follow the opposite path, i.e. older buildings, generally, show higher average percentage increases. The actual dollar increases, however, are not quite as divergent.

This pattern is partly a reflection of the Rent Regulation Process which allows increases based on actual operating cost increases for the rental property. Operating costs for rental properties remain relatively constant for a considerable length of time in the lifetime of a building. A large portion of these costs, along with their periodic increases, are beyond the control of building management and are based on economic factors not directly related to a specific building. Increases in these costs affect all rental properties to the same degree with the resulting allowable dollar rent increases being of similar magnitude regardless of rent levels.

TABLE 7
WINNIPEG
1990 AVERAGE RENT LEVELS AND INCREASES BY SUITE TYPE AND YEAR OF CONSTRUCTION

SUITE TYPE	YEAR OF CONSTRUCTION	APPLICATIONS ABOVE GUIDELINE AVERAGE RENTS	APPLICATIONS ABOVE GUIDELINE AVERAGE % INCREASES	INCREASES AT OR BELOW ANNUAL GUIDELINE AVERAGE RENTS
Bachelor	0-1945	259	9.0	262
	1946-1959	304	5.9	287
	1960-1977	358	5.6	366
	1978+	-	-	316
	TOTAL	322	6.6	320
1 Bedroom	0-1945	336	9.5	325
	1946-1959	368	7.6	351
	1960-1977	455	5.8	432
	1978+	468	13.2	494
	TOTAL	438	6.1	420
2 Bedroom	0-1945	425	7.5	417
	1946-1959	375	5.1	419
	1960-1977	531	6.1	509
	1978+	601	5.2	595
	TOTAL	501	6.1	511
3 Bedroom	0-1945	522	6.6	549
	1946-1959	343	(0.6)	525
	1960-1977	617	6.8	.589
	1978+	660	4.6	642
	TOTAL	510	4.8	592
4 Bedroom	0-1945	532	9.7	517
	1946-1959	-	-	x
	1960-1977	-	-	599
	1978+	-	-	513
	TOTAL	532	9.7	562
Mobile Home Park Lot	0-1945	190	39.2	130
	1946-1959	-	-	-
	1960-1977	224	6.3	-
	1978+	-	-	-
	TOTAL	223	6.3	130
TOTAL	ALL YEARS	432	6.1	458

x - Available statistics are too limited to be included.
NOTE: 1.) The average rent levels in this table are averages of the final rents after the 1990 rent increases were taken.

TABLE 8
WINNIPEG
1991 AVERAGE RENT LEVELS AND INCREASES BY SUITE TYPE AND YEAR OF CONSTRUCTION

SUITE TYPE	YEAR OF CONSTRUCTION	APPLICATIONS ABOVE GUIDELINE AVERAGE RENTS	APPLICATIONS ABOVE GUIDELINE AVERAGE % INCREASES	INCREASES AT OR BELOW ANNUAL GUIDELINE AVERAGE RENTS
Bachelor	0-1945	232	6.3	250
	1946-1959	x	x	270
	1960-1977	387	4.3	392
	1978+	-	-	x
	TOTAL	355	4.6	329
1 Bedroom	0-1945	349	5.5	323
	1946-1959	335	7.9	346
	1960-1977	453	4.8	451
	1978+	x	x	526
	TOTAL	436	5.0	442
2 Bedroom	0-1945	531	8.4	421
	1946-1959	478	5.9	433
	1960-1977	514	6.2	530
	1978+	-	-	611
	TOTAL	515	6.3	538
3 Bedroom	0-1945	535	12.7	537
	1946-1959	-	-	512
	1960-1977	652	4.1	600
	1978+	x	x	655
	TOTAL	617	5.6	602
4 Bedroom	0-1945	-	-	456
	1946-1959	-	-	-
	1960-1977	-	-	576
	1978+	x	x	-
	TOTAL	x	x	558
Mobile Home Park Lot	0-1945	-	-	163
	1946-1959	-	-	-
	1960-1977	-	-	x
	1978+	-	-	-
	TOTAL	-	-	164
TOTAL	ALL YEARS	472	5.7	483

x - Available statistics are too limited to be included.

NOTE: 1.) The average rent levels in this table are averages of the final rents after the 1991 rent increases were taken.

2.) Early data based on the first three months of the calendar year.

WINNIPEG DISTRICTS

The average 1990 rent within the regulated sector in the various districts that make up the City of Winnipeg is $455 per month. As in previous years, Charleswood/Tuxedo continues to again have the highest average rent levels at $589 while Weston and North Winnipeg showed the lowest average rent levels at $361 and $373 respectively.

Historically, Charleswood/Tuxedo together with River Heights have high average rent levels due to the high concentration of luxury apartments in these areas. Weston and North Winnipeg followed by Winnipeg Centre and West Winnipeg have a generally older or more modest apartment stock which keeps average rent levels at the lower end of the scale.

Fort Rouge has always been a preferred location due to its central location with easy access to downtown. This, no doubt, has some influence in maintaining Fort Rouge average rent levels consistently above the overall city-wide average despite a significant number of older rental units in this area.

The above noted relationship of rent levels of the various districts of the City has generally held true for a number of years.

TABLE 9

WINNIPEG RENTAL MARKET

1990 AVERAGE RENT LEVELS AND INCREASES ON REPORTING UNITS

	REGULATED UNITS		EXEMPT UNITS	
LOCATION	AVERAGE RENT LEVEL	AVERAGE % INCREASE	AVERAGE RENT LEVEL	AVERAGE % INCREASE
Charleswood/Tuxedo	589	2.7	564	17.8
Crestwood - Assiniboia/ St. James/Westwood	484	1.8	1,028	4.1
East Kildonan/Elmwood	429	3.0	467	4.9
Fort Rouge	462	3.3	419	3.9
Fort Garry/St. Norbert	489	2.2	515	1.3
Maples/Tyndall Park/ West Kildonan	483	2.8	524	(1.3)
North Kildonan	453	3.0	1,203	7.3
North Winnipeg	373	2.4	331	9.9
River Heights	521	2.9	301	3.2
St. Vital	455	3.2	402	5.8
St. Boniface/Windsor Park/Southdale	448	2.2	420	4.3
Transcona	450	2.6	526	1.1
West Winnipeg	397	2.8	362	3.4
Winnipeg Centre	394	2.9	470	1.3
Weston	361	2.2	368	4.5
TOTAL WINNIPEG	455	2.7	450	2.5

NOTE: 1.) The average rent levels in this table are averages of the final rents after the 1990 rent increases were taken.

TABLE 10

WINNIPEG RENTAL MARKET

1991 AVERAGE RENT LEVELS AND INCREASES ON REPORTING UNITS

	REGULATED UNITS		EXEMPT UNITS	
LOCATION	AVERAGE RENT LEVEL	AVERAGE % INCREASE	AVERAGE RENT LEVEL	AVERAGE % INCREASE
Charleswood/Tuxedo	611	3.4	570	21.8
Crestwood - Assiniboia/ St. James/Westwood	519	3.7	1,140	3.8
East Kildonan/Elmwood	441	4.1	455	0.4
Fort Rouge	484	3.5	389	2.9
Fort Garry/St. Norbert	518	3.6	508	2.6
Maples/Tyndall Park/ West Kildonan	516	2.9	401	4.4
North Kildonan	473	3.9	1,268	(5.0)
North Winnipeg	402	3.4	331	(1.9)
River Heights	575	3.5	-	-
St. Vital	498	4.2	517	(0.4)
St. Boniface/Windsor Park/Southdale	498	2.3	479	3.9
Transcona	476	2.9	561	2.5
West Winnipeg	455	3.6	376	7.9
Winnipeg Centre	386	3.7	324	8.5
Weston	357	3.1	448	6.2
TOTAL WINNIPEG	482	3.6	401	3.8

NOTE: 1.) The average rent levels in this table are averages of the final rents after the 1991 rent increases were taken.

2.) Early data based on the first three months of the calendar year.

BRANDON

Table 5 shows the overall average increase for 1990 of 2.7% for Brandon's regulated units was equal to Winnipeg's percentage increase for the same segment of the market. Over the past 5 years, Brandon's average percentage increases have never exceeded Winnipeg's average percentage increases for the corresponding reporting period. This fact combined with the overall lower average rent base when compared to Winnipeg's average rents has resulted in lower average dollar increases for Brandon's rental housing market. As in all other areas of the Province, the majority of rental properties in Brandon have taken guideline increases of 3% or less in 1990. Table 11 shows the average rent level for those units as $401. The comparable category for Winnipeg shows an average rent level of $458 (Table 7).

TABLE 11
BRANDON
1990 AVERAGE RENT LEVELS AND INCREASES BY SUITE TYPE AND YEAR OF CONSTRUCTION

SUITE TYPE	YEAR OF CONSTRUCTION	APPLICATIONS ABOVE GUIDELINE AVERAGE RENTS	APPLICATIONS ABOVE GUIDELINE AVERAGE % INCREASES	INCREASES AT OR BELOW ANNUAL GUIDELINE AVERAGE RENTS
Bachelor	0-1945	-	-	x
	1946-1959	-	-	-
	1960-1977	x	x	355
	1978+	-	-	394
	TOTAL	x	x	378
1 Bedroom	0-1945	539	3.2	334
	1946-1959	-	-	314
	1960-1977	432	6.9	403
	1978+	524	3.0	472
	TOTAL	466	5.4	402
2 Bedroom	0-1945	575	5.4	430
	1946-1959	-	-	315
	1960-1977	459	5.6	472
	1978+	583	3.5	551
	TOTAL	517	4.8	487
3 Bedroom	0-1945	-	-	439
	1946-1959	-	-	-
	1960-1977	-	-	519
	1978+	-	-	552
	TOTAL	-	-	518
4 Bedroom	0-1945	-	-	464
	1946-1959	-	-	-
	1960-1977	-	-	-
	1978+	-	-	-
	TOTAL	-	-	464
Mobile Home Park Lot	0-1945	113	1.1	132
	1946-1959	-	-	-
	1960-1977	-	-	-
	1978+	-	-	343
	TOTAL	113	1.1	134
TOTAL	ALL YEARS	362	4.5	401

x - Available statistics are too limited to be included.

NOTE: 1.) The average rent levels in this table are averages of the final rents after the 1990 rent increases were taken.

TABLE 12
BRANDON
1991 AVERAGE RENT LEVELS AND INCREASES BY SUITE TYPE AND YEAR OF CONSTRUCTION

SUITE TYPE	YEAR OF CONSTRUCTION	APPLICATIONS ABOVE GUIDELINE AVERAGE RENTS	APPLICATIONS ABOVE GUIDELINE AVERAGE % INCREASES	INCREASES AT OR BELOW ANNUAL GUIDELINE AVERAGE RENTS
Bachelor	0-1945	-	-	x
	1946-1959	-	-	-
	1960-1977	x	x	374
	1978+	-	-	401
	TOTAL	x	x	385
1 Bedroom	0-1945	366	6.9	368
	1946-1959	-	-	308
	1960-1977	395	7.6	419
	1978+	x	x	488
	TOTAL	389	7.6	423
2 Bedroom	0-1945	420	5.9	433
	1946-1959	-	-	335
	1960-1977	491	7.0	479
	1978+	469	7.5	569
	TOTAL	477	7.0	491
3 Bedroom	0-1945	-	-	458
	1946-1959	-	-	-
	1960-1977	557	6.1	446
	1978+	x	x	570
	TOTAL	558	6.2	478
4 Bedroom	0-1945	-	-	x
	1946-1959	-	-	-
	1960-1977	-	-	-
	1978+	-	-	-
	TOTAL	-	-	x
Mobile Home Park Lot	0-1945	-	-	131
	1946-1959	-	-	-
	1960-1977	-	-	-
	1978+	-	-	x
	TOTAL	-	-	131
TOTAL	ALL YEARS	496	6.7	368

x - Available statistics are too limited to be included.

NOTE: 1.) The average rent levels in this table are averages of the final rents after the 1991 rent increases were taken.

2.) Early data based on the first three months of the calendar year.

RURAL AREAS

The relatively small size of the rental housing market in the rural communities of Manitoba very often allows major variations to occur in average rent levels and percentage increases. Table 5 shows that with 3.4% Thompson has experienced the highest average percentage increase in regulated rent for the 1990 calendar year. In 1989, Selkirk was the community with the highest average increase. Vacancy rates, or developing trends and directions that vacancy rates take, generally have an effect in the opposite direction in the magnitude of rent increases. While this reaction may occasionally be somewhat delayed in large urban centres, the much smaller rental market in rural communities often reflects changing market conditions as and when they occur.

High average percentage increases in rent do not necessarily translate into high average rent levels. Although Thompson has shown some of the highest percentage increases in 4 of the last 5 years, it never reflected the highest average rent levels during the past 5 years within the group of rural communities.

Generally, the rental market in the rural area of the province has a much less homogeneous composition than the one found in the two major urban centres of Winnipeg and Brandon. The total rural rental market ranges from the well established and professionally managed, in communities such as Thompson, Dauphin, Portage la Prairie, The Pas and Selkirk, to a mix of single family houses and converted structures that form part of the rental market in small settlements or remote communities. A considerable segment of rural rental housing is occupied by friends, relatives, or employees of the landlord.

In these instances, rent increases rarely occur on an annual basis. It is quite common for no increases to have been taken for a number of years regardless of any increases in operating costs. Quite often it is only a tenancy turnover that causes a landlord

to reassess his financial position and seek an increase above the guideline amount. The small structure (not more than three rental units) of the rental property frequently allows the landlord to apply under section 16(2) of the Act. Provisions under this section of the Act allow landlords, of structures in which there are not more than three rental units, to increase rents to market levels if the previous tenant vacated voluntarily. This avenue raises the overall average percentage increases allowed generally above those registered for Winnipeg or Brandon.

TABLE 13
RURAL
1990 AVERAGE RENT LEVELS AND INCREASES BY SUITE TYPE AND YEAR OF CONSTRUCTION

SUITE TYPE	YEAR OF CONSTRUCTION	APPLICATIONS ABOVE GUIDELINE AVERAGE RENTS	APPLICATIONS ABOVE GUIDELINE AVERAGE % INCREASES	INCREASES AT OR BELOW ANNUAL GUIDELINE AVERAGE RENTS
Bachelor	0-1945	270	4.2	336
	1946-1959	-	-	227
	1960-1977	320	5.4	308
	1978+	-	-	-
	TOTAL	308	5.1	318
1 Bedroom	0-1945	315	5.2	394
	1946-1959	x	x	318
	1960-1977	386	6.3	366
	1978+	-	-	419
	TOTAL	371	6.1	382
2 Bedroom	0-1945	364	8.2	430
	1946-1959	-	-	328
	1960-1977	422	6.1	426
	1978+	378	11.3	462
	TOTAL	406	6.9	433
3 Bedroom	0-1945	475	12.0	369
	1946-1959	-	-	159
	1960-1977	x	x	349
	1978+	442	1.6	402
	TOTAL	454	8.5	358
4 Bedroom	0-1945	-	-	449
	1946-1959	-	-	127
	1960-1977	-	-	431
	1978+	-	-	473
	TOTAL	-	-	427
Mobile Home Park Lot	0-1945	148	7.0	173
	1946-1959	-	-	-
	1960-1977	-	-	195
	1978+	-	-	108
	TOTAL	148	7.0	177
TOTAL	ALL YEARS	323	6.3	370

x - Available statistics are too limited to be included.

NOTE: 1.) The average rent levels in this table are averages of the final rents after the 1990 rent increases were taken.

TABLE 14
RURAL

1991 AVERAGE RENT LEVELS AND INCREASES BY SUITE TYPE AND YEAR OF CONSTRUCTION

SUITE TYPE	YEAR OF CONSTRUCTION	APPLICATIONS ABOVE GUIDELINE AVERAGE RENTS	APPLICATIONS ABOVE GUIDELINE AVERAGE % INCREASES	INCREASES AT OR BELOW ANNUAL GUIDELINE AVERAGE RENTS
Bachelor	0-1945	322	12.2	300
	1946-1959	-	-	x
	1960-1977	325	4.2	310
	1978+	-	-	-
	TOTAL	324	6.7	306
1 Bedroom	0-1945	399	12.3	378
	1946-1959	-	-	330
	1960-1977	423	11.1	386
	1978+	-	-	409
	TOTAL	418	11.3	384
2 Bedroom	0-1945	397	12.8	411
	1946-1959	-	-	365
	1960-1977	471	13.4	444
	1978+	-	-	494
	TOTAL	460	13.3	440
3 Bedroom	0-1945	x	x	329
	1946-1959	-	-	163
	1960-1977	-	-	221
	1978+	-	-	284
	TOTAL	x	x	252
4 Bedroom	0-1945	-	-	325
	1946-1959	-	-	x
	1960-1977	-	-	153
	1978+	-	-	-
	TOTAL	-	-	235
Mobile Home Park Lot	0-1945	-	-	131
	1946-1959	-	-	-
	1960-1977	-	-	335
	1978+	118	9.3	-
	TOTAL	118	9.3	156
TOTAL	ALL YEARS	384	12.4	356

x - Available statistics are too limited to be included.

NOTE: 1.) The average rent levels in this table are averages of the final rents after the 1991 rent increases were taken.

2.) Early data based on the first three months of the calendar year.

SYNOPSIS

Increases in rent within the regulated sector averaged 2.7% in 1990 in Manitoba with an average rent level of $445. The corresponding figures for Winnipeg are 2.7% and $455. Unlike in previous years, the values under the "Exempt Units" category, with the exception of the Rural Areas, are in close proximity to the values for the regulated units. Rising vacancy rates may have compelled both segments of the market to move at the same pace.

Rental units for all of Manitoba where landlords applied for amounts above the guideline of 3% in 1990 were allowed an average increase of 6% to bring the average rent level to $419 (Table 15). Figures for Winnipeg are 6.1% and $432 for the average rent where landlords had applied and were granted increases above the guideline (Table 7).

The average dollar increase on units where the landlord had applied for increases above the guideline came to $24 versus an average increase of $13 where increases remained within the guideline. The corresponding 1989 dollar increases were $22 and $13 respectively.

TABLE 15
MANITOBA
1990 AVERAGE RENT LEVELS AND INCREASES BY SUITE TYPE AND YEAR OF CONSTRUCTION

SUITE TYPE	YEAR OF CONSTRUCTION	APPLICATIONS ABOVE GUIDELINE AVERAGE RENTS	APPLICATIONS ABOVE GUIDELINE AVERAGE % INCREASES	INCREASES AT OR BELOW ANNUAL GUIDELINE AVERAGE RENTS
Bachelor	0-1945	260	8.7	266
	1946-1959	304	5.9	286
	1960-1977	355	5.6	363
	1978+	-	-	335
	TOTAL	321	6.5	320
1 Bedroom	0-1945	342	8.7	340
	1946-1959	367	7.6	351
	1960-1977	452	5.8	429
	1978+	517	4.1	490
	TOTAL	436	6.1	417
2 Bedroom	0-1945	435	7.2	421
	1946-1959	375	5.1	416
	1960-1977	518	6.0	501
	1978+	561	4.5	581
	TOTAL	496	6.0	503
3 Bedroom	0-1945	519	6.9	518
	1946-1959	343	(0.6)	448
	1960-1977	615	6.8	545
	1978+	641	4.4	610
	TOTAL	509	4.9	554
4 Bedroom	0-1945	532	9.7	503
	1946-1959	-	-	226
	1960-1977	-	-	515
	1978+	-	-	484
	TOTAL	532	9.7	502
Mobile Home Park Lot	0-1945	128	4.2	148
	1946-1959	-	-	-
	1960-1977	224	6.3	195
	1978+	-	-	135
	TOTAL	194	5.8	154
TOTAL	ALL YEARS	419	6.0	448

x - Available statistics are too limited to be included.

NOTE: 1.) The average rent levels in this table are averages of the final rents after the 1990 rent increases were taken.

TABLE 16
MANITOBA
1991 AVERAGE RENT LEVELS AND INCREASES BY SUITE TYPE AND YEAR OF CONSTRUCTION

SUITE TYPE	YEAR OF CONSTRUCTION	APPLICATIONS ABOVE GUIDELINE AVERAGE RENTS	APPLICATIONS ABOVE GUIDELINE AVERAGE % INCREASES	INCREASES AT OR BELOW ANNUAL GUIDELINE AVERAGE RENTS
Bachelor	0-1945	252	7.9	254
	1946-1959	x	x	270
	1960-1977	378	4.4	384
	1978+	-	-	399
	TOTAL	350	4.9	331
1 Bedroom	0-1945	355	6.3	339
	1946-1959	335	7.9	342
	1960-1977	450	5.2	444
	1978+	474	13.0	514
	TOTAL	433	5.4	435
2 Bedroom	0-1945	465	8.7	418
	1946-1959	478	5.9	414
	1960-1977	505	7.2	515
	1978+	469	7.5	593
	TOTAL	501	7.3	518
3 Bedroom	0-1945	524	13.5	506
	1946-1959	-	-	363
	1960-1977	583	5.5	536
	1978+	516	6.2	627
	TOTAL	576	6.1	553
4 Bedroom	0-1945	-	-	396
	1946-1959	-	-	x
	1960-1977	-	-	525
	1978+	x	x	-
	TOTAL	x	x	481
Mobile Home Park Lot	0-1945	-	-	134
	1946-1959	-	-	-
	1960-1977	-	-	331
	1978+	118	9.3	x
	TOTAL	118	9.3	144
TOTAL	ALL YEARS	464	6.5	455

x - Available statistics are too limited to be included.

NOTE: 1.) The average rent levels in this table are averages of the final rents after the 1991 rent increases were taken.

2.) Early data based on the first three months of the calendar year.

RENT APPEALS BRANCH

RENT APPEALS BRANCH

Although the appeal function is an integral part of the Rent Regulation Program and is defined in the Residential Rent Regulation Act, the execution of this function rests within the Rent Appeals Branch and is totally independent of the Landlord and Tenant Affairs Branch.

The primary responsibilities of the Appeals Branch are:

- hearing and adjudicating appeals by landlords or tenants relating to rent increase recommendations issued by the Rent Regulation Bureau;
- considering applications for rent rollbacks as submitted by the Rent Regulation Bureau; and
- processing applications for the rehabilitation of buildings that may then qualify for temporary exemption from rent increase limitations under the Residential Rent Regulation Act.

All adjudications and orders under the appeal process are made by panels consisting of one or more members. Appeal panelists are private citizens from all walks of life appointed by the provincial government.

ACTIVITY SUMMARY

The appeal function is the last level of activity in the Rent Regulation Program. The peak work load in the Appeals Branch follows about two to three months after the peak work period in the Rent Regulation Bureau. Table 1A reflects this shift to some degree by recording the bulk of 1990 appeal activity in the latter part of the year, i.e. 1990/91 fiscal year column.

Based on decisions issued, just over 2/3 of appealed recommendations, for rent increases effective in the 1990 calendar year, were varied by appeal panels. About one in three appealed recommendations experienced no change - 317 of 1,036 were upheld and 18 were either withdrawn by the appellant or rejected by the Appeals Branch. Most rejections are caused by late appeals.

The rehabilitation provisions provide for a two stage process:

1. Landlord applies and obtains approval to proceed with project.

2. After successful completion of project, landlord then applies for a period of exemption from rent increase limitations.

The process is illustrated in Table 1A where applications for rehabilitation relating to 123 rental units were processed during the 1990/91 fiscal year and received approval to commence rehabilitation work.

The 1990/91 fiscal year saw applications for 41 units apply for exemption with 21 rental units receiving exemptions from rent increase limitations lasting for varying time periods. Applications for exemption for the remaining 20 units were still pending at the end of the fiscal year.

Approved projects do not always complete the planned rehabilitation work. Some projects are modified to a degree where they no longer meet the criteria for exemption and have to be rejected; other projects are simply abandoned and do not apply for exemption.

Table 2A deals with appeals relating to rent increases that take effect early in the 1991 calendar year. The bulk of 1991 appeals will be processed during the 1991/92 fiscal year.

TABLE 1A

CALENDAR YEAR 1990

STATISTICAL SUMMARY FOR MANITOBA

APPEALS	1989/90 FISCAL YEAR (UNITS)	1990/91 FISCAL YEAR (UNITS)
Landlord Initiated	38	771
Tenant Initiated	57	300
Dual Initiated	-	147
Carried Forward	-	34
TOTAL	95	1,252
DECISIONS		
Recommendation Upheld	27	317
Recommendation Varied	31	701
Appeals Withdrawn/Rejected	3	18
APPLICATIONS FOR REHABILITATION		
Approved	-	123
Rejected	-	-
TOTAL	-	123
APPLICATIONS FOR EXEMPTION		
Approved	-	21
Rejected	-	-
Pending	-	20

DISPOSITION OF 1990 APPLICATIONS
FISCAL YEAR ENDED MARCH 31/91

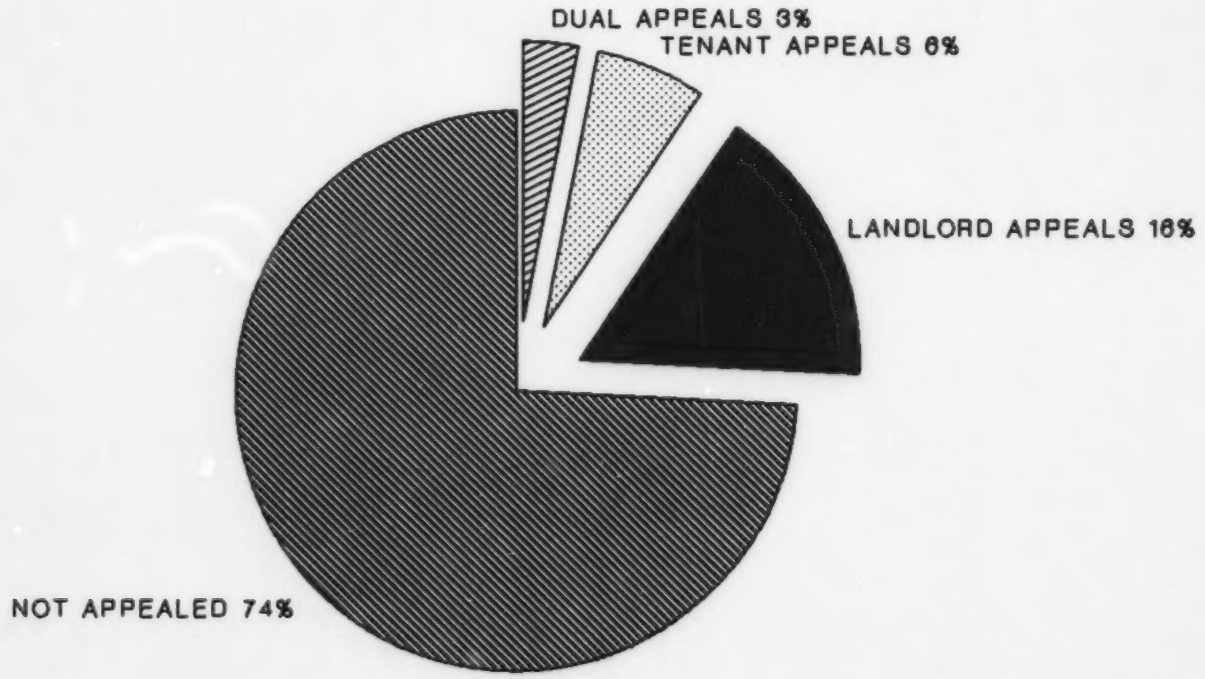


TABLE 2A

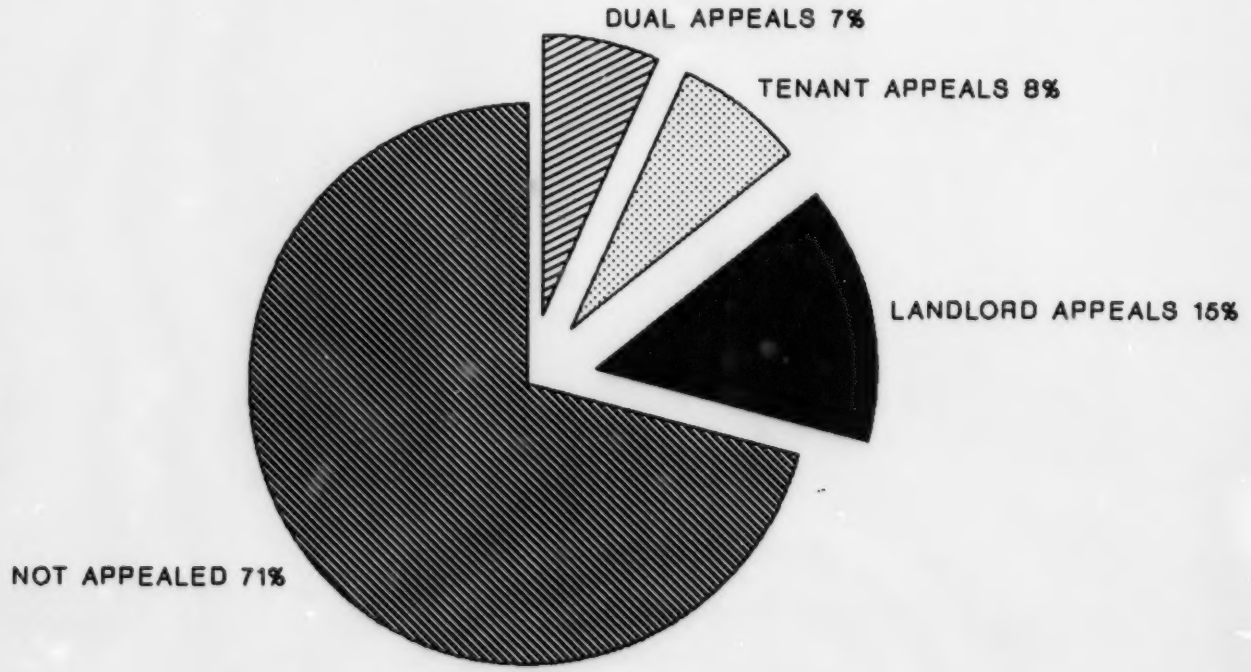
CALENDAR YEAR 1991

STATISTICAL SUMMARY FOR MANITOBA

APPEALS	1990/91 FISCAL YEAR (UNITS)
Landlord Initiated	242
Tenant Initiated	123
Dual Initiated	110
TOTAL	475
DECISIONS	
Recommendation Upheld	122
Recommendation Varied	146
Appeals Withdrawn/Rejected	2
APPLICATIONS FOR REHABILITATION	
Approved	-
Rejected	-
TOTAL	-
APPLICATIONS FOR EXEMPTION	
Approved	-
Rejected	-
Pending	-

Note:
1.) Early data based on the first three months of the calendar year.

DISPOSITION OF 1991* APPLICATIONS FISCAL YEAR ENDED MARCH 31/91



* FIRST THREE MONTHS

APPEALS

Recommendations for rent increases made by an officer of the Rent Regulation Bureau may be appealed by landlords or tenants. Landlord appeals continued to decline in 1990/91 in numbers as well as in terms of percentage of recommendations issued: 771 units or 16.4% versus 1,153 or 25.5% in the previous year. Tenant appeals moved in the opposite direction and rose to 300 or 6.4% in 1990/91 from 274 or 6.1% in the previous year. The above noted divergent trends have continued to lower the ratio of tenant to landlord appeals from 1 in 7 in 1988/89 to 1 in 4 in 1989/90 to the current 1 in 2.5 in 1990/91. The Winnipeg vacancy rates ranged from 4.2% in October 1988 to 6.5% in October 1989 and 6.4% in October 1990 (CMHC Rental Market Survey).

Tables 3A and 3B show the average 1990 rent levels and increases for units where the Bureau's recommendations were subsequently appealed. These tables include all appeals regardless of source. Units that ultimately reached the appeal stage had received initial recommendations averaging rent increases of $22. The appeal process brought the average increase to $25. By comparison, the average dollar increase of $24 for all units that applied for above guideline increases to the Rent Regulation Bureau falls within the same range.

The average recommended increase of $15 or 3.9% combined with a resulting rent level of $402 for "landlord appealed units" is considerably lower than the average increase of $24 or 6% to reach an average rent of $419 for all units where an application for above guideline increases was made. Although, these low values might appear to explain why the Bureau's recommendations were appealed, low rent levels alone are generally not identified as a major reason for landlord appeals. Landlord appeals are primarily caused by recommended rent increases that fall considerably short of the amount sought by the landlord.

The average increase of $34 or 7.5% combined with the high average rent level of $480 for "tenant appealed" units, appears to be the primary cause for tenant appeals.

The rent levels and increases for the first three months of 1991 calendar year are not necessarily indicative of developments in the market.

TABLE 3A

1990 AVERAGE RENT LEVELS ON APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	PRIOR TO RENT INCREASE	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	430	469	454	456
Brandon	203	224	212	212
Rural	328	385	359	377
Manitoba	406	443	428	431

TABLE 3B

1990 AVERAGE PERCENTAGE INCREASES ON APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	9.1	5.6	6.2
Brandon	10.3	4.4	4.3
Rural	17.3	9.5	14.9
Manitoba	9.3	5.6	6.3

TABLE 4A

1990 AVERAGE RENT LEVELS ON LANDLORD APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	PRIOR TO RENT INCREASE	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	424	462	441	446
Brandon	102	114	98	98
Rural	310	372	341	363
Manitoba	387	423	402	407

TABLE 4B

1990 AVERAGE RENT LEVELS ON TENANT APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	PRIOR TO RENT INCREASE	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	445	487	477	477
Brandon	474	519	519	518
Rural	425	455	455	455
Manitoba	448	488	480	480

TABLE 5A

1990 AVERAGE PERCENTAGE INCREASES ON LANDLORD APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	8.9	4.1	5.3
Brandon	11.7	(4.3)	(4.3)
Rural	20.0	10.1	17.0
Manitoba	9.2	3.9	5.2

TABLE 5B

1990 AVERAGE PERCENTAGE INCREASES ON TENANT APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	9.4	7.4	7.4
Brandon	9.5	9.5	9.3
Rural	7.1	7.1	7.1
Manitoba	9.4	7.5	7.5

TABLE 6A

1991 AVERAGE RENT LEVELS ON APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	PRIOR TO RENT INCREASE	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	446	481	474	482
Brandon	-	-	-	-
Rural	363	416	406	407
Manitoba	443	479	471	479

Note:
1.) Early data based on the first three months of the calendar year.

TABLE 6B

1991 AVERAGE PERCENTAGE INCREASES ON APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	7.9	6.3	8.0
Brandon	-	-	-
Rural	14.8	12.1	12.2
Manitoba	8.0	6.4	8.2

Note:
1.) Early data based on the first three months of the calendar year.

TABLE 7A

1991 AVERAGE RENT LEVELS ON LANDLORD APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	PRIOR TO RENT INCREASE	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	466	504	492	506
Brandon	-	-	-	-
Rural	-	-	-	-
Manitoba	466	504	492	506

Note:
1.) Early data based on the first three months of the calendar year.

TABLE 7B

1991 AVERAGE RENT LEVELS ON TENANT APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	PRIOR TO RENT INCREASE	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	417	450	448	449
Brandon	-	-	-	-
Rural	363	416	406	407
Manitoba	414	447	445	446

Note:
1.) Early data based on the first three months of the calendar year.

TABLE 8A

1991 AVERAGE PERCENTAGE INCREASES ON LANDLORD APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	8.2	5.5	8.5
Brandon	-	-	-
Rural	-	-	-
Manitoba	8.2	5.5	8.5

Note:
1.) Early data based on the first three months of the calendar year.

TABLE 8B

1991 AVERAGE PERCENTAGE INCREASES ON TENANT APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	7.8	7.3	7.5
Brandon	-	-	-
Rural	14.8	12.1	12.2
Manitoba	8.2	7.6	7.8

Note:
1.) Early data based on the first three months of the calendar year.